



25           **WHEREAS**, market penetration of Onsite Water Reuse System technology  
26 for multi-family and commercial buildings is low; and

27           **WHEREAS**, Austin Water will use cost and other project data collected from  
28 the incentive program to inform the mandatory Onsite Water Reuse System for new  
29 multi-family and commercial developments 250,000 square feet or greater;

30           **WHEREAS**, In order to expedite the review and approval of incentives for  
31 systems prior to 2023, staff recommends that City Council approve a total of \$1  
32 million for a pilot incentive program with not more than \$500,000 per project  
33 without the need for additional City Council approval;

34           **WHEREAS**, Austin Water will report to applicable boards and commissions  
35 the incentives and details of approved projects; **NOW, THEREFORE,**

36 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

37           The City Council makes the following findings that support the use of a pilot  
38 financial incentive program by the City in the development of Onsite Water Reuse  
39 Systems:

- 40           1. Given the potential for more severe and frequent drought conditions in Central  
41 Texas as a result of the impacts from climate change, it is essential that new  
42 policies to conserve water continue to be developed to support the sustainable  
43 growth of the City of Austin.
- 44           2. Water conservation efforts, including incentives for onsite water reuse  
45 systems, help maximize limited resources as population grows, while ensuring  
46 supply for critical public health and safety needs including adequate supplies  
47 necessary for emergency fire-fighting, fire suppression, and natural disaster  
48 or other emergency management or disaster response.

- 49 3. The reuse of alternative on-site water avoids or reduces the costs of new water  
50 supply and related infrastructure for the treatment, storage and distribution of  
51 potable water that is charged to Austin Water customers.
- 52 4. Prior to the implementation of mandatory installation of alternative on-site  
53 systems, a pilot incentive program for large new commercial and multi-family  
54 facilities will help obtain information on the cost, installation, operation,  
55 maintenance and regulatory guidance for alternative onsite water reuse  
56 systems needed for the successful implementation of the mandatory  
57 installation requirement in 2023.
- 58 5. The City: (1) through use of a pilot financial incentive program to support the  
59 development of Onsite Water Reuse Systems accomplishes an important  
60 public purpose; (2) through its oversight of the development and use of an  
61 Onsite Water Reuse System supported by the City's pilot financial incentive  
62 program retains public control over the funds to ensure that the public purpose  
63 is accomplished and to protect the public's investment; and (3) through its  
64 oversight of the Onsite Water Reuse System pilot incentive program ensures  
65 that the political subdivision receives a return benefit.

66 **BE IT FURTHER RESOLVED,**

67 The City Council directs the City Manager to establish a pilot incentive  
68 program with a reimbursement limit of \$500,000 per project and an aggregate limit  
69 of not to exceed \$1,000,000 for the pilot incentive program to encourage the  
70 voluntary use of Onsite Water Reuse Systems in new multi-family and commercial  
71 development projects.

72  
73 **ADOPTED:** \_\_\_\_\_, 2021

**ATTEST:** \_\_\_\_\_

Jannette S. Goodall  
City Clerk

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